

K-12 PUBLIC SCHOOLS FUNDING CUT

- Per the NC Department of Public Instruction, “Total funding for public schools increased \$60,214,282 since FY 2008-09; but, if you back out the funding added for benefit cost increases and salary adjustments, the funding available for classroom activities (textbooks, transportation, teacher assistants, teachers, etc.) has been reduced by over \$1 billion.”
- NC’s per pupil expenditure has dropped from \$5,896 in 2008-09 to \$5,766 in 2014-15—\$130 less per pupil. NC’s per pupil expenditure ranking of 46th nationally is likely to continue to drop.
- Historically, school districts were provided with “planning allotments” at the start of the school year based on the district’s growth in average daily membership (ADM). In 2015, a new provision eliminates these up-front dollars used to hire additional staff and other resources needed to accommodate new students. School districts that do not have a fund balance (“rainy day” account) will be forced to make cuts to their current operating budget to cover costs and school districts will not know until the following fiscal year whether their enrollment growth will actually be funded.

TEACHER WORKING CONDITIONS = CHILDREN’S LEARNING CONDITIONS

- In 2013-14, the budget eliminated 5,184.5 teachers and 272 support personnel (guidance counselors, psychologists, social workers, etc.). Additional cuts are anticipated in 2014-15.
- Approximately 3,300 teacher assistant positions were cut in 2014-15; 3,850 positions were cut last year.
- The budget allocates \$275M in recurring funds for an average 5.5% teacher pay raise. The new teacher salary schedules:
 - Offer larger increases to teachers newer to the profession.
 - Eliminate longevity pay, which rewarded teachers with 10+ years of service with a bonus.
- Cap teacher salaries at \$50,000. A certified teacher with a bachelor’s degree would earn \$50,000 at 25 years of service. The U.S. average public school teacher salary for 2012—13 was \$56,103.
- In May 2014, Superior Court Judge Robert Hobgood ruled that ending teacher career status, which protects teachers from being fired arbitrarily (without due process), was unconstitutional. Teachers who have already earned career status will keep this right.
- Teachers who have yet to earn career status are effectively temporary employees and are given only one-year contracts. In 2016, teachers without career status can be offered one, three or four-year contracts.
- Only teachers who already hold a master’s degree or who have begun a master’s program prior to July 1, 2013 or whose job requires a master’s degree or higher will receive a salary supplement for holding an advanced degree. For all others, master’s pay has been eliminated.
- No limits on class size in grades 4 – 12. The student: teacher allotment ratio for kindergarten improves to 18:1, a reduction of one student and the ratio for first grade is now 17:1, also a reduction of one student.
- More underprepared students entering Kindergarten, as 2,500 slots for pre-K were cut in 2013-14. 11,678 children remain on the waiting list for pre-K.
- Classroom materials and instructional supplies funding has been cut by nearly 47 percent since FY 2009-10, down from \$90.7 million when adjusted for inflation to around \$50 million for the current school year.
- In 2014-15, textbooks will be funded at \$24 million, or roughly one-fifth of the 2009-10 budget of \$116 million. This amounts to less than \$20 per student; a textbook typically costs \$35-85.

PRIVATIZATION, TEACHING FELLOWS, AND MERIT PAY

- A school voucher program that would have used \$12.6 million of our tax dollars to offer up to \$4200 per student to qualified families was determined to be “unconstitutional, beyond a reasonable doubt” by

Quick Facts: 2013-15 State Budget Impact

Superior Court Judge Robert Hobgood. However, on September 19, 2014, the Court of Appeals ruled that 1,878 students who were originally awarded school vouchers would receive those taxpayer dollars—up to \$7.9 million in total—despite the fact that the case still remains under appeal.

- Vouchers take public dollars and use them to fund attendance at private and religious schools, they do not have to provide transportation, meals, have certified teachers, meet legal safeguards for special needs children or use the same tests as students in public schools.
- While phasing out NC’s nationally recognized Teaching Fellows program, the budget allotted \$11 million in funding for Teach for America, a program requiring less training and has a less successful track record.

| | Recruiting | Preparation | Persistence |
|--------------------------|---------------------------------|------------------------|----------------------------|
| Teaching Fellows | In-state grads | 4 years during college | 78% stay at least 5 years |
| Teach for America | Grads from all over the country | 5 weeks with coaching | Less than 10% stay 5 years |

- Merit Pay: School districts must submit a proposal for how they would award differentiated pay (salary increases or bonuses). Salary increases may be awarded to classroom teachers who receive a “highly effective” rating. Bonuses may be awarded to classroom teachers, Title I instructional support for placement in hard-to-staff schools, hard-to-staff subjects, and for teachers who take on select additional duties.
 - The General Assembly has allocated \$1 million to the NC Education Endowment Fund for this purpose. This recently established endowment is an uncertain source, as it is funded through the sale of “I Support Teachers” license plates and voluntary contributions, along with any additional dollars allotted to the fund by the General Assembly.
 - Merit pay has been tried in several states, without appreciable success. A recent study reported that 89% of NC teachers felt merit pay would disrupt collaboration in teaching, and only 1% of NC teachers felt that pay for performance would positively impact teacher morale, retention, or quality.

GRADING PUBLIC SCHOOLS A-F

NC public schools are required to administer a variety of EOG and EOC tests that will be used to grade them on a scale from A to F. Private schools receiving vouchers are not required to use these tests, nor will these schools be graded. The A-F grading system is a combination of the absolute achievement score that counts 80%, and a growth score that counts 20%. While NC’s A-F system does not yet call for school closures or takeovers, it lays the groundwork for such actions in the future.

CHARTER SCHOOLS

Charter schools, with mixed student achievement results, significantly increased this year. A 2014 provision allows them to expand by one grade level each year without prior approval from the State Board of Education. Only 50% of charter school teachers have to be certified; they are not required to provide transportation or meals. In 2014, the General Assembly amended legislation such that charter schools are not required to protect students against discrimination based on sexual orientation and gender identity. They are now required to follow the Open Meetings Law and the Public Records Act.

The 2014-15 budget also authorizes the creation of two pilot K-12 online charter schools for four years. Each pilot school will receive up to \$790/student from the student’s home school district. Two-thirds of students at industry-leading K-12, Inc.’s online charter schools leave after less than two years.

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